



NORTH COUNTY FIRE & MEDICAL DISTRICT GOVERNING BOARD REGULAR MEETING MINUTES

Tuesday, June 23, 2020

MINUTES

1. CALL TO ORDER / ROLL CALL OF BOARD MEMBERS / AFFIRMATION OF QUORUM

Board Clerk Miller called the meeting to order on Tuesday, June 23, 2020, at 10:00 a.m. The meeting was held telephonically due to social distancing requirements relating to the COVID-19 pandemic.

Members Present: Board Clerk Dawn Miller, Board Members Richard Bookie, Tony Sambol, and Russell Smith

Members Absent: Board Chairman David Wilson

Staff Present: Fire Chief Rob Biscoe, Assistant Chief Mary Dalton, Finance Manager Diane Goke, Division Chief Kane Nixon, Division Chief Rob Helie, Human Resources Manager Shauna Fisher, Engineer Matt Burry, and Authority Clerk Dusty Christopherson

Legal Counsel: Legal & Intergovernmental Affairs Director Lee Miller

Guests Present: South County Fire & Medical District Board Members Bill Becker, John Crawford, Karen Gueltzow, Leonard Leach, Diane Price

Media Present: None

Public Comment: None

2. CALL TO THE PUBLIC

There was no response to the Call to the Public.

3. FINANCIAL SUMMARIES AND AUDIT REPORTS

A. North County Fire & Medical District Financial Reports for May 2020 – Diane Goke, Finance Manager

Diane Goke, Finance Manager presented the North County Fire & Medical District Financial Reports for May 2020 and answered any questions from Board Members.

4. CONSENT AGENDA

- A. Approve Monthly Financial Reports for May 2020.
- B. Approve Transfer of Revenues from North County Fire & Medical District to Arizona Fire & Medical Authority (AFMA) in accordance with the AFMA Joint Power Authority Intergovernmental Agreement.
- C. Approve Joint Governing Board Budget Workshop Meeting Minutes – May 19, 2020.
- D. Approve Board Meeting Minutes – May 26, 2020.
- E. Adopt Resolution No. NC20-0623-2 authorizing annexation request for Parcel No. 503-79-003M, located in the area of N. 199th Ave and W. Frontier Dr., Maricopa County, Arizona (Property Owner: Danny Young)
- F. Adopt Resolution No. NC20-0623-3 authorizing annexation request for Parcel No. 503-79-003J, located at 26223 N. 199th Ave., Maricopa County, Arizona (Property Owner: Danny Young)

Board Member Bookie moved that the North County Fire & Medical District Governing Board approve all items on the Consent agenda, including the May 2020 Monthly Financial Reports and account reconciliations per Arizona Revised Statutes including, but not limited to, the following: Register of Checks, Warrants & Deposits; Statement of Financial Activities; Statement of Net Assets; and Cash Flow Projection Report. I further move that the Governing Board approve the transfer of revenues from North County Fire & Medical District to Arizona Fire & Medical Authority in accordance with the Arizona Fire & Medical Authority Joint Power Authority Intergovernmental Agreement. Board Member Smith seconded the motion.

Vote conducted. **MOTION CARRIED.**

AYES: Bookie, Miller, Sambol, Smith

NAYS: None

ABSENT: Wilson

5. CURRENT EVENTS SUMMARIES AND REPORTS

- A. Emergency Services and Support Services Divisions (Including Training/Health & Wellness and Community Risk Management) – North County Fire & Medical District Current Event Summaries for May 2020 – Deputy Chief Rob Helie

Rob Helie, Deputy Chief – Emergency Services Division presented the Emergency Services and Support Services Division Event Summary for May 2020 and answered any questions from Board Members. Deputy Chief Helie stated that so far the 2020 wildfire season has been a particularly busy one, with fires in the unincorporated areas double

what they were this time last year. Due to the COVID-19 pandemic, the State is not able to provide prison crews who normally assist with wildfires.

In response to an inquiry, Deputy Chief Helie noted that when crews are sent out to assist on large wildfires, like the current Big Horn Fire, the Authority is compensated for its assistance. However, the question of compensation for the recent 100-acre fire in the Tonopah area, which crossed over State land jurisdiction lines is still an outstanding question and conversation that Staff is having with State Land officials.

B. Business Services Division (Including Administration, Planning and Human Resources Sections) – North County Fire & Medical District Current Event Summary for May 2020 – Assistant Chief Mary Dalton

Mary Dalton, Assistant Chief presented the Business Services Division Event Summary for May 2020 and answered any questions from Board Members. Assistant Chief Dalton noted that Phase I of the AFMA Reopening Plan has been put on hold as the State is seeing increasing COVID-19 cases and increased deaths associated with the virus. There are a limited number of staff in the office and the building is closed to the public. Assistant Chief Dalton stated that the National Fire Conference that was planning to be held in Phoenix this year has been canceled due to the COVID-19 pandemic.

In addition, the Human Resources Section reported that 64 firefighter practical exams were completed, and those who passed will be asked to complete an oral board interview. Human Resource staff has spent a tremendous amount of time assisting employees with COVID-19 exposure information and testing resources.

Assistant Chief Dalton noted that the new Fire Districts' Worker's Compensation Pool has been finalized and that the first Board meetings are beginning to be held telephonically. Assistant Chief Dalton has been appointed to the Governing Board. The new pool garnered \$4.6 million in initial capital from its member districts, which is more than originally anticipated.

C. Correspondence Review – Correspondence received or sent by the North County Fire & Medical District which would be of interest to the Governing Board will be reviewed by the Board Clerk.

Board Clerk Miller reviewed correspondence received during the month of May 2020.

6. **PUBLIC HEARING**

A. Hold a public hearing relating to the adoption of Resolution No. NC20-0623-1 of the North County Fire & Medical District adopting the Fiscal Year 2020-21 Budget & Operational Plan.

Assistant Chief Dalton and Ms. Goke presented the Governing Board with the final Fiscal Year 2020-21 Budget & Operational Plan noting that this document is largely the same as the tentatively adopted budget from May 2020. Assistant Chief Dalton noted that the tax rate for South County Fire & Medical District remains at \$3.20, and the North County

Fire & Medical District remains at \$2.86.

Assistant Chief Dalton highlighted the budgetary changes for Fiscal Year 2020-21 noting an ambulance revenue decrease of \$101,233, grant funding in the amount of \$193,000, retirement plan increases of \$275,151, health insurance increases of \$253,328, contingency fund increases of \$187,045, repairs and maintenance increases of \$102,130, dispatch contract increases of \$38,207, medical supply/equipment increases of \$25,920, Board election costs of \$24,099 for the 2020 General election. Bringing the total proposed budget to \$30.5 million.

In conclusion, Assistant Chief Dalton noted that this year's budget is balanced, transparent and ensures the Authority is positioned to maintain excellent service delivery while being fiscally stable moving forward.

Board Clerk Miller opened the public hearing. There were no public comments received. Board Clerk Miller closed the public hearing.

Board Clerk Miller stated that the Governing Board has had the proposed budget and all of the details for review and questions for a few months now, and stated that she feels it is a good balanced budget and thanked Staff for their hard work pulling it all together.

Board Member Smith moved that the North County Fire & Medical District adopt Resolution No. NC20-0623-1 of the North County Fire & Medical District adopting the Fiscal Year 2020-21 Budget & Operational Plan. Board Member Sambol seconded the motion.

Vote conducted. **MOTION CARRIED.**

AYES: Bookie, Miller, Sambol, Smith

NAYS: None

ABSENT: Wilson

7. REGULAR BUSINESS

A. Discussion and Possible Action relating to approval of Fiscal Year 2018-2022 Strategic Plan Update.

Assistant Chief Dalton presented the Governing Board with the 2020 update to the Fiscal Year 2018-2022 Strategic Plan, noting a Strategic Plan defines an organization's strategy and direction for the future. Since the Strategic Plan's original adoption in 2017, the document has been reviewed by Staff and modified as necessary to accommodate changes in priorities, economic climate, Governing Board directives and Community input. The new update is adopted by the Governing Board each year as part of the annual budget process.

This year as part of the 2020 Update, Staff has added several new objectives to the Strategic Plan. They are:

- Objective 1.1C – Analyze AFMA’s wildland/urban interface risks
- Objective 1.1D – Implement Emergency Triage, Treat, and Transport (ET3) Program
- Objective 1.4B – Strengthen the Authority’s Pandemic Plan
- Objective 1.4C – Strengthen the Authority’s Emergency Management Section
- Objective 1.4D – Analyze current radiological protection, detection, and decontamination
- Objective 1.8 – Engine Company Safety Survey Program
- Objective 1.9 – Adopt Fire Code Amendment Chapter 12 Energy Systems
- Objective 2.2C – Implement Revised Employee Performance Evaluation System
- Objective 2.2D – Create New Employee Orientation Process
- Objective 2.5B – Revise Employee Wellness Program
- Objective 3.1B – Promote the Authority’s Ambulance Membership Program
- Objective 3.2B – Plan for Authority Annexation and Future Growth

Board Member Bookie stated that he enjoyed reading through the Strategic Plan and found it to be a very thorough and well written document. He thanked Staff for their work in putting it together.

Board Member Bookie moved that the North County Fire & Medical District Governing Board approve the Fiscal Year 2018-2022 Strategic Plan update. Board Member Smith seconded the motion.

Vote conducted. **MOTION CARRIED.**

AYES: Bookie, Miller, Sambol, Smith

NAYS: None

ABSENT: Wilson

B. Discussion and Possible Action relating to adoption of Resolution No. NC20-0623-4 Call of Election.

Authority Clerk Dusty Christopherson stated that in accordance with Arizona Revised Statute (ARS) 16-226 the North County Fire & Medical District is required to adopt a Call of Election no later than 120 days prior to holding the general election. The North County Fire & Medical District has three seats expiring in November 2020 that will need to be filled during the 2020 General Election. Should there not be more than three individuals declare to run for the election, the Maricopa County Board of Supervisors will cancel the election and those who have been declared candidates will be appointed. If there are not enough declared candidates to fill all three vacancies, the Governing Board has 90 days to appoint individuals to fill the vacancies.

Board Member Sambol moved that the North County Fire & Medical District Governing Board adopt Resolution No. NC20-0623-4, Call of Election for the 2020 North County Fire & Medical District Governing Board Election on November 3, 2020. Board Clerk Miller seconded the motion.

Vote conducted. **MOTION CARRIED.**

AYES: Bookie, Miller, Sambol, Smith
NAYS: None
ABSENT: Wilson

C. Discussion and Possible Action relating to Lease Refinancing.

Ms. Goke stated that at the AFMA Governing Board meeting on May 26, 2020, the Board adopted Resolution No. AF20-0526-1 authorizing the firm of Stifel, Nicolaus & Company, Inc. to solicit bids for debt refinancing. Ms. Goke noted that the current market conditions provided the Authority with the ability to significantly reduce the interest rate of the current debt holdings. Ms. Goke stated that three proposals were received on June 17, 2020, and that Staff is recommending acceptance of the proposal from Sterling National Bank (Sterling) which includes an effective interest rate of 2.44% for a total of \$7.5 million financed to pay off existing debt and acquire approximately \$2 million for capital assets. The Sterling proposal also includes Sterling serving as the escrow agent without fee and using outside purchaser counsel without cost to the Authority/District's. Additionally, the prepayment penalty is only 2% and declines to 0% after eight years. The estimated annual payments would be \$565,824 with an approximate net present value savings to the Authority/Districts of \$273,045. The approximate \$50,618 increase in annual payments would be partially offset by the savings of approximately \$40,000 realized from the leased office space that would no longer be needed.

Rob Biscoe, Fire Chief clarified that to best leverage the opportunity presented with the current lower market interest rates, Staff is seeking approval to refinance existing debt, and leverage the cost savings with additional borrowing in order to construct a Maintenance/Warehouse/Training facility on a portion of the property that Station 104 is located on. The Maintenance/Warehouse/Training facility would house most facets of the Support Services and Training Divisions under one roof, greatly improving the workflow, efficiency, and accountability of the Divisions. This new facility would also eliminate the need for the leased office space located across the street from the Authority's Administrative facility.

Chief Biscoe noted that the proposed new facility could be constructed, potentially in phases depending on costs, to accommodate the Authority's current and future maintenance, warehouse, and training needs. Beyond the initial scope of the project and very preliminary architect and contractor assessments, no additional details regarding the proposed facility are available at this time. At a future Authority Board meeting, the necessary consultants required to create the design and construction package would be approved. Several months later, the final design and budget proposals would be presented to the Board for final approval before moving into the construction phase of the process.

In response to an inquiry, Chief Biscoe stated that if the proposed loan package is approved by the Governing Board, each Authority member District would be accountable for their proportionate share of said obligation. North County Fire & Medical District would be responsible for 81% and South County Fire & Medical District would be responsible for 19% of the refinanced debt. Collateral for the proposed finance package would again involve using various Authority facilities. In the event either of the member Districts is no longer a member of the Authority, they would continue to be responsible for their portion of the remaining loan balance.

Board Member Bookie stated that he was not excited about taking on new debt, but the new interest rate being offered helps to offset the added costs, but he would like to see the District at zero debt in the future.

Board Member Sambol moved that the North County Fire & Medical District Governing Board approve the debt structure as articulated in Arizona Fire & Medical Authority Resolution No. AF20-0623-2 dated June 23, 2020 and further acknowledge North County Fire & Medical District's commitment to be responsible for its proportionate share (91%) of the balance of said obligation in the event the District, for any reason, leaves or is no longer a member of the Authority, and further authorizing the Fire Chief and the Director of Legal and Intergovernmental Affairs to prepare and execute such agreements as may be necessary.

Vote conducted. **MOTION CARRIED.**

AYES: Bookie, Miller, Sambol, Smith
NAYS: None
ABSENT: Wilson

8. SUGGESTED ITEMS FOR FUTURE NORTH COUNTY FIRE & MEDICAL DISTRICT BOARD MEETING AGENDAS

Board Member Bookie stated that he would like to see more District Governing Board meetings be held within each of the District's jurisdictional boundaries.

9. SUGGESTED ITEMS FOR FUTURE ARIZONA FIRE & MEDICAL AUTHORITY BOARD MEETING AGENDAS

There were no items suggested.

10. ADJOURNMENT

The meeting adjourned at 10:25 a.m.

Dawn Miller

Dawn Miller (Sep 26, 2020 22:51 PDT)

Dawn Miller, Board Clerk

June 23, 2020 Minutes

Final Audit Report

2020-09-27

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